

# CMC MARKETS PLC

("CMC" or the "Group")

Interim results for the half year ended 30 September 2024

## Strategy delivering enhanced profitability and margins

### Summary Financials

	30 September 2024	30 September 2023	Change %
Net operating income (£m)	177.4	122.6	45%
Trading net revenue (£m)	131.3	87.4	50%
Investing net revenue (£m)	19.9	16.8	19%
Interest income (£m)	23.4	16.1	46%
Other operating income (£m)	2.8	2.3	22%
<b>Profit / (loss) before tax (£m)</b>	<b>49.6</b>	<b>(2.0)</b>	—
Profit / (loss) before tax margin (%)	28%	(2%)	30ppts
Basic earnings per share (pence)	12.8	(0.8)	—
Ordinary dividend per share (pence)	3.10	1.00	210%

*Note: Net operating income represents total revenue net of commissions and levies. Trading net revenue represents gross trading income net of rebates and levies. Investing net revenue represents stockbroking and related services revenue net of rebates. Profit / (loss) before tax margin % is calculated as profit before tax as a percentage of net operating income.*

### Financial Highlights

- Net operating income of £177.4 million, up 45% year-on-year (H1 2024: £122.6 million), reflecting continued growth across the institutional segment and an increase in client trading activity.
- H1 2025 trading net revenue was £131.3 million, up 50% year-on-year (H1 2024: £87.4 million) with strong performance across both our institutional and retail segments.
- Investing net revenue was £19.9 million, up 19% year-on-year (H1 2024: £16.8 million), driven by a strong performance in international equities.
- Interest income of £23.4 million (H1 2024: £16.1 million), up 46%, driven by the continued benefit of elevated global interest rates driving income from client cash balances and a strong performance by our newly established Treasury Management and Capital Markets Division.
- Operating costs for H1 2025, excluding variable remuneration, were £111.4 million (H1 2024: £121.9 million), down 9%, as the Group maintains a sharp focus on costs to drive profit margin expansion.
- Regulatory total Own Funds Requirements (OFR) ratio of 433%<sup>1</sup> (31 March 2024: 312%) and net available liquidity of £246.6 million (31 March 2024: £192.2 million).
- Significant increase in profitability year-on-year with profit before tax of £49.6 million, up from a prior year loss of £2.0 million and reflecting the combination of robust net operating income and disciplined cost management.
- Interim dividend up 210% to 3.10 pence per share (H1 2024: 1.00 pence).

1. Amount includes yet to be verified half year profits, less proposed interim dividend.

## Operational Highlights

- Strengthened and established new key relationships, highlighted by securing recent partnerships with Revolut and ASB Bank in New Zealand.
- Client onboarding has begun with Revolut following a soft launch earlier in the year, with a steady rise in the number of clients actively trading.
- Recently announced partnership with ASB Bank to provide market-leading technology, customer service and execution via ASB-branded web and mobile platform, including full integration with ASB Bank's technology stack.
- Continued focus on diversification, expansion and innovation to drive the business forward. B2B and institutional segment continues to be a key driver of our growth with a healthy pipeline of opportunities.
- Further enhancement of our service offering across platforms with the expansion of cash equities and options products, and Cash ISAs to be launched imminently on CMC Invest. Additional product upgrades are on track for delivery in H2 2025.

## Outlook

- Management maintaining pragmatic approach to investment with a focus on profit margin expansion, whilst continuing to explore and invest in opportunities for incremental growth.
- Remain confident in delivering on guidance set out at the beginning of the year, with net operating income forecast to be in line with external market expectations.<sup>1</sup>
- Operating cost guidance for FY 2025 remains unchanged at £225 million, excluding variable remuneration and non-recurring charges.

1. External market consensus for year ending 31 March 2025 is net operating income of £332.9 million.

## Lord Cruddas, Chief Executive Officer, commented:

*"I am delighted that CMC has delivered another strong performance in the first half, with pleasing results across our business driven by our commitment to technological innovation. Flagship partnerships with Revolut and ASB Bank highlight our success in the B2B space, and our diversified product offering, including the expansion of cash equities and options offerings, and the upcoming launch of cash ISAs in the UK, is deepening our relationship with our clients and supporting strong top line growth."*

*As we announced in the previous financial year, CMC has reached the peak of the investment cycle and whilst we continue to invest in the business, we are taking a disciplined approach, and we remain laser focused on driving further efficiencies across our global operations as we continue to leverage our scale and technology. We remain confident in meeting the guidance set earlier this year, with net operating income expected to be in line with market consensus, supported by a strong pipeline of B2B partnerships and ongoing product expansion and diversification."*

*My thanks to our dedicated team and clients for their continued trust and support, and we look forward to building on the successes of H1 in the remainder of this year."*

## Webcast:

An analyst and investor presentation will be held on 21st November 2024 at 9:00am UK time. Participants need to register using the link below.

[CMC Markets PLC Half Year Results | SparkLive | LSEG](#)

## Forthcoming announcement dates:

23 January 2025

Q3 2025 Trading Update

5 June 2025

FY 2025 Results

## **Enquiries**

### **CMC Markets Plc**

Albert Soleiman, Chief Financial Officer

[investor.relations@cmcmarkets.com](mailto:investor.relations@cmcmarkets.com)

### **Camarco**

Geoffrey Pelham-Lane

[cmc@camarco.co.uk](mailto:cmc@camarco.co.uk)

+44 (0) 7733 124 226

Jennifer Renwick

+44 (0) 7928 471 013

Alex Campbell

+44 (0) 7710 230 545

## **Forward looking statements**

This trading update may include statements that are forward looking in nature. Forward looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Except as required by the Listing Rules and applicable law, the Group undertakes no obligation to update, revise or change any forward-looking statements to reflect events or developments occurring after the date such statements are published.

## **Notes to Editors**

CMC Markets Plc ("CMC"), whose shares are listed on the London Stock Exchange under the ticker CMCX (LEI: 213800VB75KAZBFH5U07), was established in 1989 and is now one of the world's leading online financial trading and investing businesses. The Company serves retail and institutional clients through regulated offices and branches in 12 countries with a significant presence in the UK, Australia, Germany and Singapore. CMC Markets offers an award-winning, online and mobile platform, enabling clients to trade and invest in over 12,000 financial instruments across shares, indices, foreign currencies, commodities and treasuries through contracts for difference ("CFDs"), financial spread bets (in the UK and Ireland only) and, in Australia, Singapore and the UK, access stockbroking services. More information is available at <https://www.cmcmarkets.com/group>.

## CEO STATEMENT

It has been another half of strong financial performance and operational success for CMC Markets as our relentless focus on technological innovation continues to yield impressive results. During the period, we secured high-profile partnerships, including agreements with Revolut and ASB Bank, continuing our focus on the valuable B2B segment. In addition to this, our ongoing diversification strategy through expansion of our product offering, and consistent levels of client trading activity all put us in a strong position to deliver long-term value for shareholders.

### Financial performance

Financial performance in the half year has been particularly strong. Net operating income of £177.4 million marks a 45% increase on the prior year (H1 2024: £122.6 million) and was underpinned by strong growth in our institutional business and increased trading activity across key asset classes.

Operating costs, excluding variable remuneration, were £111.4 million (H1 2024: £121.9 million), down 9% year-on-year, testament to the hard work of the team in driving efficiencies across the business, capitalising on our scale and operating model to grow profit margins. This has led to profit before tax of £49.6 million, which compares to a loss of £2.0 million in H1 2024, and a dividend of 3.10 pence per share (H1 2024: 1.0 pence), up 210% on the prior year.

### Operational progress and B2B partnerships

Our strategic focus on diversification and expansion continues to drive the business forward, with the B2B segment that consists of partnerships and institutional relationships remaining a major catalyst of our growth. Over the past year, I have visited all our overseas offices to engage with potential clients and our global teams. This has included my most recent visit to Auckland, my second trip to the city within the year, to sign the ASB Bank transaction. I also met with the CEO of NZX, New Zealand's stock exchange, to confirm our application to become a market participant and member of the exchange, further solidifying our footprint in New Zealand's financial landscape and highlighting our dedication to fostering high-value relationships in the region. The white-label partnership with ASB Bank will see their customers benefit from our market-leading technology, customer service, and execution capabilities via a fully ASB-branded web and mobile platform which will seamlessly integrate with ASB Bank's existing technology stack. H1 has also seen the beginning of our partnership with Revolut, where we are making steady progress in onboarding new clients following a successful soft launch. As I have said before, when major global banks and financial institutions trust our technology to serve their clients, it is the strongest endorsement of our business.

On the product front, we have continued to expand our offering in the first half of the year. Widening our products and services is key to building longer term relationships with our clients and we have made good progress with enhancements to our cash equities and options products, as well as the imminent launch of cash ISAs in the UK. These initiatives align with our goal of delivering a comprehensive multi-asset platform, resulting in greater share of wallet from clients and further cementing CMC's reputation as a leading B2B fintech provider.

### Disciplined investment and driving operational efficiency

Over the last 12 months the business has transitioned away from what was a period of significant investment, to a clear focus on driving operational efficiency within the business. By leveraging our scale and technology to drive top-line growth, alongside operational synergies and cost control measures, we have made significant progress. The introduction of our Treasury Management System is just one example of how we are optimising our business and generating incremental income through operational synergies and this broader realignment is reflected in our financial results, supporting the improvement seen in the half-year in diversification, profitability and margins. Looking ahead, we will maintain a disciplined and balanced approach to investment whilst continuing to drive efficiencies, always prioritising long-term value for shareholders.

### Dividend

The Board has proposed an interim dividend payment of 3.10 pence per share. This is in line with the dividend policy of 50% of profit after tax.

### Outlook

As outlined today, we are confident in delivering on the guidance set out at the beginning of the year, with net operating income forecast to be in line with external market expectations.<sup>1</sup> This is supported by a strong pipeline of B2B partnerships, as well as our continued strategic product expansion and diversification. We look forward to building on the successes of H1 in the remainder of this year.

### Lord Cruddas

Chief Executive Officer  
21 November 2024

<sup>1</sup> External market consensus for year ending 31 March 2025 is net operating income of £332.9 million.

## OPERATING REVIEW

### Summary

£'million	H1 2025	H2 2024	H1 2024	Year-on-year change
<b>Net operating income</b>	<b>177.4</b>	<b>210.2</b>	<b>122.6</b>	45%
Operating expenses	(123.7)	(136.6)	(118.3)	5%
Impairment of intangible assets	(0.2)	(7.0)	(5.3)	
<b>Operating profit / (loss)</b>	<b>53.5</b>	<b>66.6</b>	<b>(1.0)</b>	—
Loss on share of associate	(0.2)	(0.2)	(0.1)	
Impairment of associate	(2.3)	—	—	
Finance costs	(1.4)	(1.1)	(0.9)	
<b>Profit/(loss) before taxation</b>	<b>49.6</b>	<b>65.3</b>	<b>(2.0)</b>	—
Taxation	(14.3)	(16.1)	(0.4)	
<b>Profit/(loss) after tax</b>	<b>35.3</b>	<b>49.2</b>	<b>(2.4)</b>	—
<b>Profit/(loss) before tax margin</b>	28%	31%	(2%)	30ppts

The Group reported a statutory profit before tax of £49.6 million in H1 2025, reflecting a strong recovery from a loss of £2.0 million in H1 2024 and maintaining strong momentum following the £65.3 million profit in H2 2024. This reflects the success of the Group's ongoing diversification strategy, the continued growth of the B2B segment and sustained client trading activity.

Growth was driven by strong trading volumes, particularly in the B2B client segment, and improved trading performance due to favourable market conditions. Investing net revenues were supported by higher assets under administration in Australia aided by favourable exchange rate movements. The Group's performance was further supported by disciplined cost management, with annual cost growth contained at 5% and a 9% reduction achieved on a half-year basis. Excluding variable remuneration, operating expenses were down 9% year-on-year and 13% half-on-half.

We remain focused on profit margins, taking a disciplined and balanced approach to investment whilst continuing to drive efficiencies across the business.

### Net operating income overview

£'million	H1 2025	H2 2024	H1 2024	Year-on-year change
Trading net revenue	131.3	171.7	87.4	50%
Investing net revenue	19.9	17.2	16.8	18%
<b>Total net revenue</b>	<b>151.2</b>	<b>188.9</b>	<b>104.2</b>	<b>45%</b>
Interest income on own funds	9.5	5.3	5.9	60%
Income on client funds	13.9	13.6	10.2	36%
Other operating income	2.8	2.4	2.3	22%
<b>Net operating income</b>	<b>177.4</b>	<b>210.2</b>	<b>122.6</b>	<b>45%</b>

Net operating income increased by 45% to £177.4 million, led by growth in institutional business and trading volumes across core asset classes. Sequential half-on-half net operating income was down 16% due to an exceptionally strong performance in the H2 2024 comparative.

#### Trading net revenue

Trading net revenue increased to £131.3 million from £87.4 million in H1 2024 driven by both increased client income and higher client income retention. Performance remained strong across all geographies, including core markets of the UK and APAC.

Active client numbers declined in comparison to H1 2024, although this was offset by increased revenue per active client of £2,984, up 60% on H1 2024, as we continued to attract and retain both institutional and higher net worth individuals. This in part was aided by the performance of CMC Connect which acts as a non-bank liquidity provider, offering access to a range of asset classes.

During the period, we entered into a partnership with Revolut, which has been test-launched in the Czech Republic, Denmark and Greece, with plans for further expansion into additional countries in Europe later this year. Given the recent launch and limited

geographical coverage, the impact on B2B revenues for the period is not significant. However, this partnership presents an exciting opportunity for future revenue growth as well as increased operational leverage given the limited incremental costs required to service these customers.

Overall, B2B services now contribute 38% of trading volumes (H1 2024: 31%; H2 2024: 35%), reinforcing our focus on growing this business.

#### Investing net revenue

Investing net revenue was 18% and 16% higher than H1 2024 and H2 2024 respectively at £19.9 million (H1 2024: £16.8 million; H2 2024: £17.2 million) driven by increased client trading volumes in the Group's Australian stockbroking arm resulting in both additional foreign exchange fees and brokerage revenue.

Asset inflows increased our assets under administration to £41.1 billion, solidifying our position as Australia's second-largest stockbroker. We are optimistic that the growth in clients and balances will continue to see income increase, aided by the rollout of new revenue-generating propositions including the launch of stock lending, although we are witnessing strong competition from both established providers and new entrants alike.

CMC Invest operations in the UK and Singapore continue to contribute a small proportion to net revenue reflecting the infancy of these operations. During the period, the Group has continued to invest in new features and will look to launch additional products and functionality in the near-term. This includes the launch of a FSCS-protected cash ISA product in the UK, which will have the aim of attracting both newer, and wider, range of customers to the platform.

The Group has also reached an agreement with ASB Bank in New Zealand to provide stockbroking services to their c1.5 million banking customers. This deal underlines the continued execution of our strategy of growing our B2B services and be the partner of choice in both our trading and investing institutional offerings.

#### Interest income

The Group has continued to benefit from the higher interest rate environment, with total interest income from both client and own funds of £23.4 million, reflecting a 46% year-on-year increase and a 24% improvement from H2 2024 (H1 2024: £16.1 million; H2 2024: £18.9 million). Throughout the first half of the year, we have focused on improving returns on our own balances to maintain performance through our Treasury Management Systems as interest rates begin to decline. As a result, interest income from client funds has decreased to 59% of total interest income, down from 63% in H1 2024 and 72% in H2 2024. However, with segregated client funds continuing to represent the majority of the Group's cash balances, we expect this trend to gradually taper as rates fall.

#### **Operating expenses**

£'million	H1 2025	H2 2024	H1 2024	Year-on-year change
Net staff costs	59.0	65.3	53.2	11%
IT costs	22.4	20.5	19.2	17%
Sales and marketing	15.0	18.9	16.7	(10%)
Premises	2.5	3.2	3.4	(26%)
Legal and professional fees	7.0	7.4	6.6	6%
Regulatory fees	2.5	2.0	2.3	9%
Depreciation and amortisation	6.8	7.5	7.6	(11%)
Bank charges	1.9	2.9	2.2	(14%)
Irrecoverable sales tax	2.7	3.0	2.5	8%
Other	3.9	5.9	4.6	(15%)
<b>Operating expenses</b>	<b>123.7</b>	<b>136.6</b>	<b>118.3</b>	<b>5%</b>

Operating expenses were up 5% year-on-year to £123.7 million, impacted by inflationary increases, IT investments, additional staffing to support ongoing projects and increased variable remuneration following the improved Group performance. Sequential half-on-half operating expenses have reduced by 9% as the Group implemented tight control over staff costs and discretionary spending, particularly in sales and marketing, while continuing to invest in areas critical to long-term growth and efficiency.

Staff costs remain the biggest contributor to operating expenses and in the current period we incurred costs of £59.0 million representing a 11% increase year-on-year (H1 2024: £53.2 million) reflecting inflationary salary increases and additional headcount to support the Group's growth and operational projects over the past year. Sequential half-on-half staff costs are down 10% from £65.3 million, primarily as a result of the reduction in headcount undertaken at the end of 2024.

Non-staff costs have grown at a lower rate as we have implemented a disciplined approach to cost management. IT costs remain the largest non-staff cost component and have increased 17% year-on-year to £22.4 million (H1 2024: £19.2 million), driven by higher investments in technology and increased maintenance costs as we continued to enhance our systems for future scalability.

Sales and marketing expenses fell by 10% year-on-year and 21% sequential half-on-half to £15.0 million (H1 2024: £16.7 million; H2 2024: £18.9 million), reflecting a more targeted approach to marketing spend during the period.

Legal and professional fees increased by 6% year-on-year to £7.0 million (H1 2024: £6.6 million; H2 2024: £7.4 million), driven by higher advisory and project-related costs. Regulatory fees also rose by 9% to £2.5 million over the same period (H1 2024: £2.3 million; H2 2024: £2.0 million).

#### Impairment of investments in associate

Due to the continued underperformance of the investment, combined with its poor financial position and ongoing losses the Group fully wrote down its investment in Strike X, a customer centric blockchain solutions business, which was acquired in June 2023. Despite the impairment, the Group continues to support Strike X and its strategic objectives.

#### Taxation

The effective tax rate for the six months ended 30 September 2024 was 28.9% compared to -18.4% and 24.6% in H1 2024 and H2 2024 respectively. The Group's effective tax rate is higher than the UK statutory tax rate of 25% due to the effect of profits being taxed in Australia and Germany where the tax rate is higher than the UK rate and adjustments for discrete items.

#### Balance sheet

£'million	30 September 2024	31 March 2024	Change
Fixed assets	54.5	57.5	(5%)
Trade and other receivables	182.2	164.8	11%
Financial investments	109.0	50.9	114%
Amounts due from brokers	202.7	228.9	(11%)
Cash and cash equivalents	174.1	160.3	9%
Other assets	44.6	54.5	(18%)
<b>Total assets</b>	<b>767.1</b>	<b>716.9</b>	<b>7%</b>
Trade and other payables	297.6	272.8	9%
Obligations under repurchase agreements	28.9	—	—
Lease liabilities	14.3	16.9	(15%)
Other liabilities	15.3	23.7	(35%)
<b>Total liabilities</b>	<b>356.1</b>	<b>313.4</b>	<b>14%</b>
<b>Total equity</b>	<b>411.0</b>	<b>403.5</b>	<b>2%</b>
<b>Total equity and liabilities</b>	<b>767.1</b>	<b>716.9</b>	<b>7%</b>

Fixed assets reduced 5% since the full year reflecting the fact the Group has passed the peak of its investment cycle with amortisation and depreciation exceeding capitalised spend, although the Group continues to invest in maintaining and enhancing its proposition.

Financial investments increased 114% to £109.0 million (31 March 2024: £50.9 million) reflecting a strategic shift towards investment-grade corporate bonds and credit-linked notes. This approach, implemented by the newly established Treasury Management and Capital Markets Division, aims to achieve higher yields compared to traditional cash holdings and gilts. Additionally, the use of repurchase agreements has been introduced to further optimise returns. Whilst these investments carry an increased level of risk, they within the Group's existing market, liquidity, credit and counterparty risk appetites.

Despite this heightened focus on returns, the Group also saw an increase in cash and cash equivalents during the period, driven by H1 profits, partially offset by the payment of the prior year's final dividend. Additionally, the Group's cash position benefited from a reduction in excess cash held with brokers, which declined by 11% to £202.7 million from £228.9 million at year-end.

#### Capital resources

As of 30 September 2024, the Group had total capital resources of £337.3 million<sup>1</sup> compared to £340.1 million as at 31 March 2024. This compares to the Own Funds Requirement (OFR) of £77.9 million (31 March 2024: £109.0 million) giving an OFR ratio of 433%<sup>1</sup> (31 March 2024: 312%).

1. Amount includes yet to be verified half year profits, less proposed interim dividend.

## Liquidity

£'million	30 September 2024	31 March 2024	Change
Group funds	332.1	325.8	2%
Title transfer funds	110.9	119.6	(7%)
<b>Total available liquidity</b>	<b>443.0</b>	<b>445.4</b>	<b>(1%)</b>
Less: blocked cash	(62.9)	(68.5)	(8%)
Less: initial margin requirement at brokers	(133.5)	(184.7)	(28%)
<b>Net available liquidity</b>	<b>246.6</b>	<b>192.2</b>	<b>28%</b>

The Group's liquidity remains robust with net available liquidity as at 30 September 2024 of £246.6 million (31 March 2024: £192.2 million). The increase in the first half of the year is due to an increase in Group funds and a reduction in initial margin requirements held at brokers, offset by a reduction in title transfer funds held.

The Group's available liquidity consists of assets that can be accessed on short notice to meet additional liquidity needs, typically arising from increases in broker margin requirements. Furthermore, the Group maintains access to a committed facility of up to £55.0 million (31 March 2024: £55.0 million) to support margin needs with brokers.

## Principal risks and uncertainties

Details of the Group's approach to risk management and its principal risks and uncertainties were set out on pages 59 - 68 of the 2024 Group Annual Report and Financial Statements (available on the Group website <https://www.cmcmarketsplc.com>).

During the six months to 30 September 2024, there have been no changes to the overall principal risk listing. The Group continues to categorise its principal risks into three categories: business and strategic risks; financial risks; and operational risks.

People risk, Regulatory and compliance risk, Business change risk, and Information and data security risk were the top principal risks considered in the 2024 Group Annual Report and Financial Statements, and we continue to be exposed to those areas. The management of these risks is set out in note 30 to the Financial Statements.

The Group, through its global presence, faces a variety of regulations and legislative requirements, which we are committed to meeting to a high standard. Consumer Duty remains a key focus as we continue to embed these requirements within the Group's processes.

As we pursue strategic product and geographical diversification, business change and project delivery risks remain naturally elevated. To address these challenges, the Group actively incorporates capital and liquidity risk management into its strategic planning, ensuring financial resilience is maintained through this diversification. In parallel, we continually review our project portfolio to ensure alignment with strategic objectives. The Treasury Management and Capital Markets Division continues to evolve the Group's liquidity and cash flow optimisation capabilities, which includes the development of the Trading Management System and the expansion of the scope of products in which it invests. Risk management practices associated with these activities are continuously refined as the business expands and matures.

Given the online nature of the Group, we also maintain heightened vigilance against cyber intrusions across our operations.

Our people are essential to delivering our purpose and strategy, and our ability to attract and retain key talent is critical to our strategic goals and business resilience. During this period, the Group completed the merger of support functions across multiple business lines, streamlining reporting and automating processes, which led to a planned reduction in global headcount. The Group continues to monitor a range of people-related metrics.



## RESPONSIBILITY STATEMENT

The Directors listed below (being all the Directors of CMC Markets plc) confirm that to the best of our knowledge, these condensed consolidated financial statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- the interim management report includes a fair review of the important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated financial statements, together with a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the first six months of the financial year and any material changes in the related-party transactions described in the last annual report.

Neither the Group nor the Directors accept any liability to any person in relation to the interim results for the half year ended 30 September 2024, except to the extent that such liability could arise under English law. Accordingly, any liability to a person who has demonstrated reliance on any untrue or misleading statement or omission shall be determined in accordance with Section 90A and Schedule 10A of the Financial Services and Markets Act 2000.

By order of the Board of Directors

**Lord Cruddas**  
**Chief Executive Officer**

21 November 2024

## CMC Markets plc Board of Directors

### Executive Directors

Lord Peter Cruddas (Chief Executive Officer)  
David Fineberg (Deputy Chief Executive Officer)  
Matthew Lewis (Head of Asia Pacific)  
Albert Soleiman (Chief Financial Officer)

### Non-Executive Directors

James Richards (Chair)  
Sarah Ing  
Paul Wainscott  
Clare Francis

## CONDENSED CONSOLIDATED INCOME STATEMENT

For the half year ended 30 September 2024

£ '000	Note	Half year ended		
		30 September 2024	31 March 2024	30 September 2023
Revenue	3	164,799	204,991	119,711
Interest income on own funds		9,536	5,304	5,942
Income on client funds		13,900	13,649	10,148
<b>Total revenue</b>		<b>188,235</b>	<b>223,944</b>	<b>135,801</b>
Introducing partner commissions and betting levies		(10,883)	(13,723)	(13,239)
<b>Net operating income</b>		<b>177,352</b>	<b>210,221</b>	<b>122,562</b>
Operating expenses	4	(123,659)	(136,579)	(118,315)
Impairment of intangible assets	8	(233)	(7,047)	(5,275)
<b>Operating profit / (loss)</b>		<b>53,460</b>	<b>66,595</b>	<b>(1,028)</b>
Share of results of associate	11	(189)	(192)	(91)
Impairment of investments in associate	11	(2,328)	—	—
Finance costs		(1,374)	(1,075)	(876)
<b>Profit / (loss) before taxation</b>		<b>49,569</b>	<b>65,328</b>	<b>(1,995)</b>
Taxation		(14,308)	(16,079)	(368)
<b>Profit / (loss) for the period attributable to owners of the parent</b>		<b>35,261</b>	<b>49,249</b>	<b>(2,363)</b>
<b>Earnings / (loss) per share</b>				
<b>Basic earnings / (loss) per share (p)</b>	6	<b>12.8</b>	<b>17.6</b>	<b>(0.8)</b>
Diluted earnings / (loss) per share (p)	6	12.8	17.6	(0.8)

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME**

For the half year ended 30 September 2024

£ '000	Half year ended		
	30 September 2024	31 March 2024	30 September 2023
Profit / (loss) for the period	35,261	49,249	(2,363)
<i>Other comprehensive expense:</i>			
<b>Items that may be subsequently reclassified to income statement</b>			
Gains recycled from equity to the income statement	—	237	—
Currency translation differences	(1,672)	(2,882)	(2,403)
Changes in the fair value of debt instruments at fair value through other comprehensive income, net of tax	166	(58)	202
Other comprehensive expense for the period	(1,506)	(2,703)	(2,201)
<b>Total comprehensive income / (expense) for the period</b>	<b>33,755</b>	<b>46,546</b>	<b>(4,564)</b>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2024

£ '000	Note	30 September 2024	31 March 2024	30 September 2023
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets	8	29,113	28,906	33,471
Property, plant and equipment	9	25,372	28,546	27,380
Deferred tax assets		6,869	6,177	3,963
Financial investments	14	22,121	32	33
Trade and other receivables	10	2,637	2,753	2,601
Investments in associate	11	—	2,517	2,709
<b>Total non-current assets</b>		<b>86,112</b>	<b>68,931</b>	<b>70,157</b>
<b>Current assets</b>				
Trade and other receivables	10	179,523	162,056	92,099
Derivative financial instruments	12	28,781	31,627	16,216
Current tax recoverable		2,282	1,917	10,732
Other assets	13	6,780	12,258	2,247
Financial investments	14	86,877	50,889	28,289
Amounts due from brokers		202,675	228,882	184,127
Cash and cash equivalents	15	174,055	160,300	176,836
<b>Total current assets</b>		<b>680,973</b>	<b>647,929</b>	<b>510,546</b>
<b>TOTAL ASSETS</b>		<b>767,085</b>	<b>716,860</b>	<b>580,703</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	16	297,626	272,811	185,544
Amounts due to brokers		560	6,982	11,120
Derivative financial instruments	12	5,629	7,074	2,384
Obligations under repurchase agreements	17	28,923	—	—
Lease liabilities	18	3,765	4,915	5,006
Current tax payable		3,991	2,147	389
Provisions	19	1,844	3,937	1,025
<b>Total current liabilities</b>		<b>342,338</b>	<b>297,866</b>	<b>205,468</b>
<b>Non-current liabilities</b>				
Lease liabilities	18	10,579	12,000	12,307
Deferred tax liabilities		3,178	3,244	3,393
Provisions	19	8	257	150
<b>Total non-current liabilities</b>		<b>13,765</b>	<b>15,501</b>	<b>15,850</b>
<b>TOTAL LIABILITIES</b>		<b>356,103</b>	<b>313,367</b>	<b>221,318</b>
<b>EQUITY</b>				
<b>Equity attributable to owners of the Company</b>				
Share capital		70,573	70,573	70,573
Share premium		46,236	46,236	46,236
Capital redemption reserve		2,901	2,901	2,901
Own shares held in trust		(11,149)	(2,589)	(1,015)
Other reserves		(56,945)	(55,439)	(52,736)
Retained earnings		359,366	341,811	293,426
<b>Total equity</b>		<b>410,982</b>	<b>403,493</b>	<b>359,385</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>767,085</b>	<b>716,860</b>	<b>580,703</b>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 September 2024

£ '000	Share capital	Share premium	Capital redemption reserve	Own shares held in trust	Other reserves	Retained earnings	Total equity
<b>At the 31 March 2023</b>	<b>70,573</b>	<b>46,236</b>	<b>2,901</b>	<b>(1,509)</b>	<b>(50,535)</b>	<b>306,349</b>	<b>374,015</b>
Loss for the period	—	—	—	—	—	(2,363)	(2,363)
Currency translation differences	—	—	—	—	(2,403)	—	(2,403)
Changes in the fair value of debt instruments at fair value through other comprehensive income, net of tax	—	—	—	—	202	—	202
<b>Total comprehensive expense for the period</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(2,201)</b>	<b>(2,363)</b>	<b>(4,564)</b>
Acquisition of own shares held in trust	—	—	—	(152)	—	—	(152)
Utilisation of own shares held in trust	—	—	—	646	—	—	646
Share-based payments	—	—	—	—	—	336	336
Dividends	—	—	—	—	—	(10,895)	(10,895)
<b>At the 30 September 2023</b>	<b>70,573</b>	<b>46,236</b>	<b>2,901</b>	<b>(1,015)</b>	<b>(52,736)</b>	<b>293,426</b>	<b>359,385</b>
Profit for the period	—	—	—	—	—	49,249	49,249
Gains recycled from equity to the income statement	—	—	—	—	237	—	237
Currency translation differences	—	—	—	—	(2,882)	—	(2,882)
Changes in the fair value of debt instruments at fair value through other comprehensive income, net of tax	—	—	—	—	(58)	—	(58)
<b>Total comprehensive income for the period</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(2,703)</b>	<b>49,249</b>	<b>46,546</b>
Acquisition of own shares held in trust	—	—	—	(1,636)	—	—	(1,636)
Utilisation of own shares held in trust	—	—	—	62	—	—	62
Share-based payments	—	—	—	—	—	1,052	1,052
Tax on share-based payments	—	—	—	—	—	876	876
Dividends	—	—	—	—	—	(2,793)	(2,793)
<b>At the 31 March 2024</b>	<b>70,573</b>	<b>46,236</b>	<b>2,901</b>	<b>(2,589)</b>	<b>(55,439)</b>	<b>341,811</b>	<b>403,493</b>
Profit for the period	—	—	—	—	—	35,261	35,261
Currency translation differences	—	—	—	—	(1,672)	—	(1,672)
Changes in the fair value of debt instruments at fair value through other comprehensive income, net of tax	—	—	—	—	166	—	166
<b>Total comprehensive income for the period</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(1,506)</b>	<b>35,261</b>	<b>33,755</b>
Acquisition of own shares held in trust	—	—	—	(9,046)	—	—	(9,046)
Utilisation of own shares held in trust	—	—	—	486	—	—	486
Share-based payments	—	—	—	—	—	1,303	1,303
Tax on share-based payments	—	—	—	—	—	1,167	1,167
Dividends	—	—	—	—	—	(20,176)	(20,176)
<b>At the 30 September 2024</b>	<b>70,573</b>	<b>46,236</b>	<b>2,901</b>	<b>(11,149)</b>	<b>(56,945)</b>	<b>359,366</b>	<b>410,982</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 30 September 2024

		Half year ended		
£ '000		30 September 2024	31 March 2024	30 September 2023
<b>Cash flows from operating activities</b>				
Cash generated from operations	20	52,218	13,062	44,077
Interest income on own funds		8,770	4,274	5,428
Income on client funds		13,988	14,880	8,917
Finance costs		(1,343)	(1,075)	(876)
Tax paid		(12,463)	(6,601)	(2,001)
<b>Net cash generated from operating activities</b>		<b>61,170</b>	<b>24,540</b>	<b>55,545</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment		(1,716)	(4,667)	(2,965)
Investment in intangible assets		(2,603)	(5,444)	(6,800)
Purchase of investments in associate		—	—	(2,800)
Purchase of financial investments		(144,179)	(70,193)	(25,219)
Proceeds from maturity of financial investments and coupon receipts		106,630	48,395	28,121
<b>Net cash used in investing activities</b>		<b>(41,868)</b>	<b>(31,909)</b>	<b>(9,663)</b>
<b>Cash flows from financing activities</b>				
Amounts received on repurchase agreements		58,180	—	—
Amounts paid on repurchase agreements		(29,288)	—	—
Principal elements of lease payments		(2,710)	(2,707)	(2,824)
Acquisition of own shares		(9,046)	(1,636)	(152)
Dividends paid		(20,176)	(2,793)	(10,895)
<b>Net cash used in financing activities</b>		<b>(3,040)</b>	<b>(7,136)</b>	<b>(13,871)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>16,262</b>	<b>(14,505)</b>	<b>32,011</b>
Cash and cash equivalents at the beginning of the period		160,300	176,836	146,218
Effect of foreign exchange rate changes		(2,507)	(2,031)	(1,393)
<b>Cash and cash equivalents at the end of the period</b>		<b>174,055</b>	<b>160,300</b>	<b>176,836</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 30 September 2024

### 1. Basis of preparation

#### Basis of accounting and accounting policies

The condensed consolidated financial statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority. The condensed consolidated financial statements do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Within the notes to the condensed consolidated financial statements, all current and comparative data covering periods to (or as at) 30 September is unaudited.

The Group's statutory financial statements for the year ended 31 March 2024 have been prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and the disclosure guidance and transparency rules sourcebook of the United Kingdom's Financial Conduct Authority. These financial statements have been delivered to the Registrar of Companies. The auditors' opinion on those financial statements was unqualified and did not contain a statement made under Section 498 of the Companies Act 2006. The 31 March 2024 balances presented in these condensed consolidated financial statements are from those financial statements and are audited.

The accounting policies and methods of computation applied in these condensed consolidated financial statements are consistent with those applied in the Group's statutory financial statements for the year ended 31 March 2024. The condensed consolidated financial statements should be read in conjunction with the statutory financial statements for the year ended 31 March 2024.

During the period, the Group expanded its financial activities by purchasing credit-linked notes and entering into repurchase agreements for the first time, both of which are accounted for in line with the Group's established financial instruments policy.

#### ☐ **Credit-linked notes**

*Credit linked notes are initially recognised at fair value on the date of acquisition. As the notes do not meet the requirements of solely payments of principal and interest (SPPI) under IFRS 9 they are subsequent measurement at fair value through profit or loss. Changes in fair value are recognized in the income statement as they arise.*

#### ☐ **Obligations under repurchase agreements**

*Obligations under repurchase agreements are treated as collateralised borrowing arrangements and measured at amortised cost. Securities sold under these agreements remain on the balance sheet, with a corresponding liability recognised for the cash received. The difference between the sale price and repurchase price is recognised as interest expense over the term of the agreement, using the effective interest rate method.*

In addition to the above, the Group purchased additional corporate bonds during the period. In line with the Group's financial instruments policy, these bonds have been classified as Fair Value through Other Comprehensive Income (FVOCI) where meet the SPPI requirements. Where bonds do not meet the SPPI requirements these have been classified as Fair Value through Profit or Loss (FVPL).

The condensed consolidated financial statements have been prepared under the historical cost convention, except in the case of Financial instruments at FVPL and Financial instruments at FVOCI. The financial information is rounded to the nearest thousand, except where otherwise indicated.

#### Future accounting developments

The Group did not implement the requirements of any standards or interpretations that were in issue but were not required to be adopted by the Group at the half year. No other Standards or Interpretations have been issued that are expected to have a material impact on the Group's financial statements.

#### Critical accounting judgements

The preparation of condensed consolidated financial statements in conformity with IFRS requires the use of certain significant accounting judgements. The areas involving a higher degree of judgement as at, or for the six months ended, 30 September 2024 are:

#### ☐ **Contingent liabilities**

A key judgement applied in preparing these financial statements is the evaluation of the accounting treatment of the matters described in Note 24 (Contingent Liabilities). This includes the assessment of whether a present obligation exists and where it does, estimating the likelihood, timing, and amount of any associated outflows. In evaluating whether a provision is required and can be reliably estimated, we consult relevant experts, where necessary and continuously reassess our decisions. In the initial stages of legal, tax and regulatory matters, it is often not possible to reliably estimate the outcome, and in such cases, no provision is made. However, we provide additional disclosures with further details on these matters.

#### ☐ **Accounting for cryptocurrencies**

The Group has recognised £6,780,000 (31 March 2024: £12,258,000; 30 September 2023: £2,247,000) of cryptocurrency assets and rights to cryptocurrency assets on its Statement of Financial Position as at 30 September 2024. These assets are used for hedging purposes and held for sale in the ordinary course of business. A judgement has been made to apply the measurement principles of IFRS 13 "Fair value measurement" in accounting for these assets. The assets are presented as 'Other assets' on the Condensed Consolidated Statement of Financial Position.

The Group has also recognised £200,000 (31 March 2024: £200,000; 30 September 2023: £200,000) of cryptocurrency assets on its Statement of Financial position as at 30 September 2024. These assets are not held for sale in the ordinary course of business. A judgement has been made to apply the measurement principles of IAS 38 "Intangible assets" in accounting for these assets. The assets are presented within 'Intangible assets' on the Condensed Consolidated Statement of Financial Position.

□ **Intangible assets**

A key judgement has been applied in recognising of customer relationship intangible assets on the Group's Statement of Financial Position. At 30 September 2024 these had a carrying amount of £10,065,000 (31 March 2024: £10,767,000; 30 September 2023: £11,735,000). The Group applied the recognition principles of IAS 38 "Intangible Assets" to account for these assets and continues to measure them in accordance with this standard. These assets relate to the 2021 transaction with Australia and New Zealand Banking Group Limited ("ANZ") to transition its Share Investing client portfolio to CMC for AUD\$25 million.

**Key sources of estimation uncertainty**

The preparation of condensed consolidated financial statements in accordance with IFRS requires the use of certain significant accounting estimates. The area involving a higher degree of estimation uncertainty as at, or for the six months ended, 30 September 2024 is:

□ **Recoverable amount of the Cash Equities Cash Generating Unit (CGU)**

Management undertakes a regular review of impairment indicators for its non-current assets. As of 30 September 2024, indicators were identified relating to the Group's Cash Equities CGU. An impairment test was conducted, assessing the recoverable amount based on the CGU's value in use. This resulted in headroom above the carrying amount, confirming that no impairment was required (H1 2024: £5,275,000; H2 2024: £5,701,000).

While no impairment was recognised for the period, it is noted that a 5% adverse movement in projected revenues would erode the headroom leading to an impairment. Consequently, this area is considered a significant source of estimation uncertainty in the preparation of the financial statements.

**Going concern**

The Group actively manages and assessed the capital and liquidity requirements of operating subsidiaries to ensure appropriate financial resources. The Group has a broad range of products and a geographically diversified business. Consequently, the Directors believe that the Group is well placed to manage its business risks in the context of the current economic outlook. Accordingly, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of this report. They therefore continue to adopt the going concern basis in preparing these condensed consolidated financial statements.

**Seasonality of operations**

The Directors consider that given the impact of market volatility and the growth in overseas business there is no predictable seasonality to the Group's operations.

**2. Segmental reporting**

The Group primarily operates by product line, given the unique economic characteristics and distinct client purposes associated with each line. Accordingly, the Group is divided into two main segments:

- Trading
- Investing

**Trading segment**

The Group's core business involves online trading, enabling clients to trade a broad array of financial instruments for short-term investment and hedging purposes. These instruments include contracts for difference (CFDs) and financial spread betting across various assets, such as shares, indices, foreign currencies, commodities, and treasuries. The Group also extends these services to institutional partners through white label and introducing broker arrangements. While CFDs are accessible globally, spread betting is available exclusively in the UK and Ireland. Additionally, the trading segment includes the Treasury Management and Capital Markets Division that invests surplus liquidity to enhance yield.

**Investing segment**

To support clients' longer-term investment goals, the Group offers online stockbroking services in Australia, the UK, and Singapore.

At the reporting date, management reviewed the appropriateness of the Group's current operating segment disclosures and the information used by the Chief Operating Decision Maker (CODM) to allocate resources and evaluate performance. The Group's CODM is identified as the Board of Directors.

This segmentation aligns with the management information regularly presented to the CODM. Revenue and operating expenses are attributed to the originating segments, and the Group evaluates the financial performance of each segment based on operating profit.



**Half year ended 30 September 2024**

<b>£ '000</b>	<b>Trading</b>	<b>Investing</b>	<b>Total</b>
Revenue	138,157	26,642	164,799
Interest income on own funds	8,890	646	9,536
Income on client funds	8,628	5,272	13,900
<b>Total revenue</b>	<b>155,675</b>	<b>32,560</b>	<b>188,235</b>
Introducing partner commissions and betting levies	(4,104)	(6,779)	(10,883)
<b>Net operating income</b>	<b>151,571</b>	<b>25,781</b>	<b>177,352</b>
Operating expenses	(99,161)	(24,498)	(123,659)
Impairment of intangible assets	—	(233)	(233)
<b>Operating profit</b>	<b>52,410</b>	<b>1,050</b>	<b>53,460</b>
Share of results of associate	(189)	—	(189)
Impairment of investments in associate	(2,328)	—	(2,328)
Finance costs	(1,371)	(3)	(1,374)
<b>Profit before taxation</b>	<b>48,522</b>	<b>1,047</b>	<b>49,569</b>

**Half year ended 31 March 2024**

<b>£ '000</b>	<b>Trading</b>	<b>Investing</b>	<b>Total</b>
Revenue	181,999	22,992	204,991
Interest income on own funds	4,488	816	5,304
Income on client funds	8,966	4,683	13,649
<b>Total revenue</b>	<b>195,453</b>	<b>28,491</b>	<b>223,944</b>
Introducing partner commissions and betting levies	(7,930)	(5,793)	(13,723)
<b>Net operating income</b>	<b>187,523</b>	<b>22,698</b>	<b>210,221</b>
Operating expenses	(112,641)	(23,938)	(136,579)
Impairment of intangible assets	(2,298)	(4,749)	(7,047)
<b>Operating profit / (loss)</b>	<b>72,584</b>	<b>(5,989)</b>	<b>66,595</b>
Share of results of associates	(193)	—	(193)
Finance costs	(1,072)	(3)	(1,075)
<b>Profit / (loss) before taxation</b>	<b>71,320</b>	<b>(5,992)</b>	<b>65,328</b>

**Half year ended 30 September 2023**

<b>£ '000</b>	<b>Trading</b>	<b>Investing</b>	<b>Total</b>
Revenue	97,019	22,692	119,711
Interest income on own funds	5,142	800	5,942
Income on client funds	5,457	4,691	10,148
<b>Total revenue</b>	<b>107,618</b>	<b>28,183</b>	<b>135,801</b>
Introducing partner commissions and betting levies	(7,303)	(5,936)	(13,239)
<b>Net operating income</b>	<b>100,315</b>	<b>22,247</b>	<b>122,562</b>
Operating expenses	(87,886)	(30,429)	(118,315)
Impairment of intangible assets	—	(5,275)	(5,275)
<b>Operating profit / (loss)</b>	<b>12,429</b>	<b>(13,457)</b>	<b>(1,028)</b>
Share of results of associates	(90)	—	(90)
Finance costs	(875)	(1)	(876)
<b>Profit / (loss) before taxation</b>	<b>11,463</b>	<b>(13,458)</b>	<b>(1,995)</b>

The measurement of net operating income for segmental analysis is consistent with that in the income statement and is broken down by geographic location below.

£ '000	Half year ended		
	30 September 2024	31 March 2024	30 September 2023
UK	51,871	57,922	34,410
Australia	57,455	62,313	47,112
Other countries	68,026	89,986	41,040
<b>Total net operating income</b>	<b>177,352</b>	<b>210,221</b>	<b>122,562</b>

The measurement of segment assets for segmental analysis is consistent with that in the balance sheet. The total of non-current assets other than deferred tax assets, broken down by location, is shown below.

£ '000	Half year ended		
	30 September 2024	31 March 2024	30 September 2023
UK	51,671	32,981	35,532
Australia	22,126	23,405	24,336
Other countries	5,446	6,368	6,326
<b>Total</b>	<b>79,243</b>	<b>62,754</b>	<b>66,194</b>

### 3. Revenue

£ '000	Half year ended		
	30 September 2024	31 March 2024	30 September 2023
Trading	135,405	179,574	94,735
Investing	26,637	22,995	22,689
Other	2,757	2,422	2,287
<b>Revenue</b>	<b>164,799</b>	<b>204,991</b>	<b>119,711</b>

Trading revenue represents CFD and Spread bet revenue (net of hedging costs) accounted for in accordance with IFRS 9 "Financial Instruments". Investing revenue represents stockbroking revenue accounted for in accordance with IFRS 15 "Revenue from Contracts with Customers".

#### 4. Operating expenses

£ '000	Half year ended		
	30 September 2024	31 March 2024	30 September 2023
Net staff costs	59,026	65,261	53,208
IT costs	22,357	20,506	19,191
Sales and marketing	14,959	18,919	16,664
Premises	2,474	3,243	3,414
Legal and Professional fees	6,965	7,356	6,568
Regulatory fees	2,470	1,979	2,315
Depreciation and amortisation	6,833	7,475	7,626
Bank charges	1,925	2,862	2,193
Irrecoverable sales tax	2,674	3,033	2,513
Other	3,976	5,945	4,623
<b>Operating expenses</b>	<b>123,659</b>	<b>136,579</b>	<b>118,315</b>

The table above reflects the breakdown of operating expenses by the nature of expense. It is shown net of amounts that have been capitalised.

#### 5. Taxation

The effective tax rate for the six months ended 30 September 2024 was 28.9% compared to the 6 months ended 30 September 2023 effective tax rate, which was -18.4%. The Group's effective tax rate is higher than the UK statutory tax rate of 25% due to the effect of profits being taxed in Australia and Germany where the tax rate is higher than the UK rate and adjustments for discrete items.

## 6. Earnings per share (EPS)

Basic EPS is calculated by dividing the earnings attributable to the equity owners of the Company by the weighted average number of Ordinary Shares in issue during each period, excluding those held in employee share trusts, which are treated as cancelled.

For diluted earnings per share, the weighted average number of Ordinary Shares in issue, excluding those held in employee share trusts, is adjusted to assume conversion vesting of all dilutive potential weighted average Ordinary Shares and that vesting is satisfied by the issue of new Ordinary Shares.

	Half year ended		
	30 September 2024	31 March 2024	30 September 2023
<b>Earnings/ (loss) attributable to ordinary shareholders (£ '000)</b>	<b>35,261</b>	<b>49,249</b>	<b>(2,363)</b>
Weighted average number of shares used in the calculation of basic earnings per share ('000)	275,778	279,222	279,199
Dilutive effect of share options ('000)	—	—	—
<b>Weighted average number of shares used in the calculation of diluted earnings per share ('000)</b>	<b>275,778</b>	<b>279,222</b>	<b>279,199</b>
<b>Basic earnings / (loss) per share (p)</b>	<b>12.8</b>	<b>17.6</b>	<b>(0.8)</b>
<b>Diluted earnings / (loss) per share (p)</b>	<b>12.8</b>	<b>17.6</b>	<b>(0.8)</b>

For all periods presented, no potentially dilutive weighted average ordinary shares in respect of share awards and options in issue were included in the calculation of diluted EPS.

## 7. Dividends

£ '000	Half year ended		
	30 September 2024	31 March 2024	30 September 2023
Prior year final dividend of 7.3p per share (31 March 2024: interim dividend of 1.0p, 30 September 2023: final dividend of 3.9p)	20,176	2,795	10,895

An interim dividend for 2025 of 3.1p per share, amounting to £8,549,000 has been approved by the board but has not been included as a liability at 30 September 2024. The dividend will be paid on 9 January 2025 to those members on the register at the close of business on 6 December 2024.

## 8. Intangible assets

£ '000	Goodwill	Computer software	Trade-marks and trading licences	Client relationships	Crypto currency assets	Assets under development	Total
Cost	11,500	145,916	1,031	16,048	200	11,594	186,289
Accumulated amortisation and impairment	(11,500)	(134,948)	(917)	(4,313)	—	(1,140)	(152,818)
<b>Carrying amount at the 30 September 2023</b>	<b>—</b>	<b>10,968</b>	<b>114</b>	<b>11,735</b>	<b>200</b>	<b>10,454</b>	<b>33,471</b>
Cost	11,500	151,048	1,019	15,705	200	9,507	188,979
Accumulated amortisation and impairment	(11,500)	(139,551)	(923)	(4,938)	—	(3,161)	(160,073)
<b>Carrying amount at the 31 March 2024</b>	<b>—</b>	<b>11,497</b>	<b>96</b>	<b>10,767</b>	<b>200</b>	<b>6,346</b>	<b>28,906</b>
Cost	11,500	152,823	1,020	15,731	200	10,254	191,528
Accumulated amortisation and impairment	(11,500)	(140,914)	(941)	(5,666)	—	(3,394)	(162,415)
<b>Carrying amount at the 30 September 2024</b>	<b>—</b>	<b>11,909</b>	<b>79</b>	<b>10,065</b>	<b>200</b>	<b>6,860</b>	<b>29,113</b>

£ '000	Goodwill	Computer software	Trade-marks and trading licences	Client relationships	Crypto currency assets	Assets under development	Total
<b>Carrying amount at the 31 March 2023</b>	<b>—</b>	<b>14,687</b>	<b>132</b>	<b>12,816</b>	<b>—</b>	<b>7,707</b>	<b>35,342</b>
Additions	—	303	—	—	200	6,297	6,800
Transfers	—	2,303	—	—	—	(2,303)	—
Amortisation charge	—	(2,142)	(17)	(731)	—	—	(2,890)
Impairment charge	—	(4,135)	—	—	—	(1,140)	(5,275)
Foreign currency translation	—	(48)	(1)	(350)	—	(107)	(506)
<b>Carrying amount at the 30 September 2023</b>	<b>—</b>	<b>10,968</b>	<b>114</b>	<b>11,735</b>	<b>200</b>	<b>10,454</b>	<b>33,471</b>
Additions	—	35	—	—	—	5,409	5,444
Transfers	—	7,368	—	—	—	(7,368)	—
Amortisation charge	—	(1,811)	(17)	(725)	—	—	(2,553)
Impairment charge	—	(5,026)	—	—	—	(2,021)	(7,047)
Foreign currency translation	—	(37)	(1)	(243)	—	(128)	(409)
<b>Carrying amount at the 31 March 2024</b>	<b>—</b>	<b>11,497</b>	<b>96</b>	<b>10,767</b>	<b>200</b>	<b>6,346</b>	<b>28,906</b>
Additions	—	132	—	—	—	2,471	2,603
Transfers	—	1,734	—	—	—	(1,734)	—
Disposals	—	(94)	—	—	—	—	(94)
Amortisation charge	—	(1,363)	(17)	(721)	—	—	(2,101)
Impairment charge	—	—	—	—	—	(233)	(233)
Foreign currency translation	—	3	—	19	—	10	32
<b>Carrying amount at the 30 September 2024</b>	<b>—</b>	<b>11,909</b>	<b>79</b>	<b>10,065</b>	<b>200</b>	<b>6,860</b>	<b>29,113</b>

Computer software includes capital development costs of £26,487,000 relating to the Group's Next Generation trading platform which has been fully amortised.

### **Impairment**

Intangible assets are tested for impairment when events or changes in circumstances indicate that their carrying amount may not be recoverable.

During the period, impairment indicators were identified for the Group's Cash Equities CGU, which comprises assets related to the UK Invest platform and assets developed for offering cash equities on the Next Generation platform. However, the recoverable amount of the Cash Equities CGU was determined to exceed its carrying value, and therefore, no impairment was recognised.

The recoverable amount of the CGU is measured using the value in use (VIU) method. Key assumptions in the projections include B2B revenue, the cost of acquiring D2C clients, average portfolio sizes for the UK Invest business, and client trading volumes for cash equities through the Next Generation platform. The most recent five-year board-approved forecast was used to estimate the VIU, applying a discount rate of 9.7% and a long-term growth rate of 0% beyond the forecast period. The recoverable amount was determined to be £7.9 million, exceeding the CGU's carrying value of £6.1 million. A 5% reduction in projected revenues would lead to an impairment.

No impairment indicators were identified for any of the Group's other assets.

## 9. Property, plant and equipment

£ '000	Leasehold improvements	Furniture, fixtures and equipment	Computer hardware	Right-of-use assets	Construction in progress	Total
Cost	16,997	9,568	44,206	28,681	37	99,489
Accumulated depreciation	(14,225)	(8,688)	(33,624)	(15,572)	—	(72,109)
<b>Carrying amount at the 30 September 2023</b>	<b>2,772</b>	<b>880</b>	<b>10,582</b>	<b>13,109</b>	<b>37</b>	<b>27,380</b>
Cost	16,542	9,829	45,502	30,320	—	102,193
Accumulated depreciation	(12,471)	(8,700)	(35,394)	(17,082)	—	(73,647)
<b>Carrying amount at the 31 March 2024</b>	<b>4,071</b>	<b>1,129</b>	<b>10,108</b>	<b>13,238</b>	<b>—</b>	<b>28,546</b>
Cost	16,789	10,226	46,473	30,169	—	103,657
Accumulated depreciation	(13,119)	(8,878)	(37,356)	(18,932)	—	(78,285)
<b>Carrying amount at the 30 September 2024</b>	<b>3,670</b>	<b>1,348</b>	<b>9,117</b>	<b>11,237</b>	<b>—</b>	<b>25,372</b>

£ '000	Leasehold improvements	Furniture, fixtures and equipment	Computer hardware	Right-of-use assets	Construction in progress	Total
<b>Carrying amount at the 31 March 2023</b>	<b>2,473</b>	<b>715</b>	<b>10,759</b>	<b>8,672</b>	<b>152</b>	<b>22,771</b>
Additions	316	229	2,364	6,614	3	9,526
Transfers	482	82	(450)	—	(114)	—
Depreciation charge	(490)	(137)	(2,054)	(2,055)	—	(4,736)
Foreign currency translation	(9)	(9)	(37)	(122)	(4)	(181)
<b>Carrying amount at the 30 September 2023</b>	<b>2,772</b>	<b>880</b>	<b>10,582</b>	<b>13,109</b>	<b>37</b>	<b>27,380</b>
Additions	2,690	418	1,415	2,973	(3)	7,493
Transfers	(482)	7	511	—	(36)	—
Depreciation charge	(646)	(156)	(2,109)	(2,011)	—	(4,922)
Disposals	(220)	(1)	(258)	(705)	—	(1,184)
Foreign currency translation	(43)	(19)	(33)	(128)	2	(221)
<b>Carrying amount at the 31 March 2024</b>	<b>4,071</b>	<b>1,129</b>	<b>10,108</b>	<b>13,238</b>	<b>—</b>	<b>28,546</b>
Additions	296	423	997	3	—	1,719
Depreciation charge	(654)	(190)	(1,975)	(1,912)	—	(4,731)
Foreign currency translation	(43)	(14)	(13)	(92)	—	(162)
<b>Carrying amount at the 30 September 2024</b>	<b>3,670</b>	<b>1,348</b>	<b>9,117</b>	<b>11,237</b>	<b>—</b>	<b>25,372</b>

## 10. Trade and other receivables

£ '000	30 September 2024	31 March 2024	30 September 2023
<b>Current</b>			
Gross trade receivables	6,378	9,936	7,236
Less: Loss allowance	(3,826)	(3,964)	(4,658)
Trade receivables	2,552	5,972	2,578
Prepayments	16,463	13,552	15,976
Accrued income	3,917	3,778	3,682
Stockbroking debtors	149,605	126,339	64,313
Other debtors and advances	6,986	12,415	5,550
	<b>179,523</b>	<b>162,056</b>	<b>92,099</b>
<b>Non-current</b>			
Other debtors	2,637	2,753	2,601
<b>Total</b>	<b>182,160</b>	<b>164,809</b>	<b>94,700</b>

Trade receivables primarily comprise amounts due from clients. These amounts are short term and do not contain a significant financing element. The Group recognises expected credit losses on its trade receivables. These are measured using the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from the initial recognition of the receivables. Amounts are written off when there is no reasonable expectation of recovery of the amount.

Stockbroking debtors consist of amounts receivable in respect of equity security transactions executed on behalf of clients. A corresponding balance is included within trade and other payables (refer to Note 16). These balances arise from the Group's application of trade date accounting and represent amounts in the process of being cleared between the client and the exchange at the period end.



## 11. Investments in associate

The Group holds a 33% stake in Strike X Technologies ("Strike X"), a customer centric blockchain solutions business, which was acquired in June 2023 for a cost of £2,800,000.

The carrying amount of the investment has changed as follows in the reported periods

£ '000	Half year ended		
	30 September 2024	31 March 2024	30 September 2023
<b>At the beginning of the period</b>	<b>2,517</b>	<b>2,709</b>	<b>—</b>
Additions	—	—	2,800
Losses for the period	(189)	(192)	(91)
Impairment charge	(2,328)	—	—
<b>At the end of the period</b>	<b>—</b>	<b>2,517</b>	<b>2,709</b>

Due to the continued underperformance of the investment, combined with its poor financial position and ongoing losses, an indicator of impairment was identified as at 30 September 2024. Following an impairment assessment, the Group concluded that the investment's recoverable amount was £nil, and the full carrying value was written down. (No impairment indicators were noted for the periods ended 30 September 2023 or 31 March 2024). Strike X is actively seeking third-party capital through one of its subsidiaries to improve its financial position. Despite the impairment, the Group continues to support Strike X and its strategic objectives.

## 12. Derivative financial instruments

	30 September 2024		31 March 2024		30 September 2023	
	Notional amount £m	Carrying amount £ '000	Notional amount £m	Carrying amount £ '000	Notional amount £m	Carrying amount £ '000
<b>Assets</b>						
<b>Held for trading</b>						
Client trading positions	304.9	28,781	394.0	31,627	94.1	16,057
<b>Held for hedging</b>						
Forward foreign exchange contracts – economic hedges	—	—	—	—	60.6	159
<b>Total</b>	<b>304.9</b>	<b>28,781</b>	<b>394.0</b>	<b>31,627</b>	<b>154.7</b>	<b>16,216</b>

	30 September 2024		31 March 2024		30 September 2023	
	Notional amount £m	Carrying amount £ '000	Notional amount £m	Carrying amount £ '000	Notional amount £m	Carrying amount £ '000
<b>Liabilities</b>						
<b>Held for trading</b>						
Client trading positions	151.4	(5,629)	181.4	(7,074)	53.9	(2,384)
<b>Total</b>	<b>151.4</b>	<b>(5,629)</b>	<b>181.4</b>	<b>(7,074)</b>	<b>53.9</b>	<b>(2,384)</b>

The Group provides CFDs and portfolio management services to clients across multiple jurisdictions, ensuring the segregation of client funds in compliance with the regulations of each respective jurisdiction. In one jurisdiction, the Group is prohibited from segregating unrealised client profits or losses within the pooled segregated client money bank accounts. Instead, segregation occurs only upon realisation of these profits or losses. Client trading positions at the period end reflect the unrealised positions held by clients at that time.

The fair value of derivative contracts are based on the market price of comparable instruments at the balance sheet date. All derivative financial instruments have a maturity of less than one year.

### 13. Other assets

Other assets are cryptocurrencies, which are owned and controlled by the Group for the purpose of hedging the Group's exposure to clients' cryptocurrency trading positions. As presented below, the Group holds cryptocurrencies on exchange and in vault. Cryptocurrencies held in vaults are held in wallets that have additional security features. The fair value of cryptocurrencies are based on the market price of these instruments as at the balance sheet date. Other assets are measured at fair value less costs to sell.

£ '000	30 September 2024	31 March 2024	30 September 2023
Exchange	5,869	10,382	910
Vaults	911	1,876	1,337
<b>Total</b>	<b>6,780</b>	<b>12,258</b>	<b>2,247</b>

### 14. Financial investments

£ '000	30 September 2024	31 March 2024	30 September 2023
<b>Investment in debt instruments classified at FVOCI</b>			
UK Government securities	16,355	16,162	27,881
Corporate bonds	52,073	34,349	—
<b>Investment in debt instruments classified at FVTPL</b>			
Corporate bonds	19,945	—	—
Credit-linked notes	20,000	—	—
<b>Investment in equity securities mandatorily measured at FVTPL</b>			
Equity securities	625	410	441
<b>Total</b>	<b>108,998</b>	<b>50,921</b>	<b>28,322</b>

£ '000	30 September 2024	31 March 2024	30 September 2023
<b>Analysis of financial investments</b>			
Non-current	22,121	32	33
Current	86,877	50,889	28,289
<b>Total</b>	<b>108,998</b>	<b>50,921</b>	<b>28,322</b>

During period the Group established a new Treasury Management and Capital Markets Division to help drive increased returns on excess funds. As a result of this the Group has increased its exposure to financial instruments including investment-grade corporate bonds and credit-linked notes. Whilst these investments carry an increased level of risk, they remain within the Group's existing market, liquidity, credit and counterparty risk appetites.

The expected credit loss held against financial instruments classified as FVOCI is immaterial (30 September 2023: immaterial; 31 March 2024: immaterial).

## 15. Cash and cash equivalents

£ '000	30 September 2024	31 March 2024	30 September 2023
<b>Cash and cash equivalents</b>	<b>174,055</b>	<b>160,300</b>	<b>176,836</b>
<i>Analysed as:</i>			
Cash at bank	76,866	134,683	149,161
Money market funds	97,189	25,617	27,675
<b>Total</b>	<b>174,055</b>	<b>160,300</b>	<b>176,836</b>

Cash and cash equivalents comprise of cash on hand and short-term deposits and funds held in Money market funds. Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The expected credit loss held against cash and cash equivalent balances is immaterial (30 September 2023: immaterial; 31 March 2024: immaterial).

## 16. Trade and other payables

£ '000	30 September 2024	31 March 2024	30 September 2023
Client payables	110,912	119,591	107,772
Tax and social security	1,020	759	737
Stockbroking creditors	133,217	116,029	55,058
Accruals and other creditors	32,477	36,432	21,977
Payables in respect of financial investments	20,000	—	—
<b>Total</b>	<b>297,626</b>	<b>272,811</b>	<b>185,544</b>

Stockbroking creditors represent the amount payable in respect of equity and securities transactions executed on behalf of clients with a corresponding balance included within trade and other receivables (note 10).

## 17. Obligations under repurchase agreements

There are balances arising from repurchase transactions of £28,923,000. The Group pledges assets for repurchase agreements which are generally conducted under terms that are usual and customary for standard securitised borrowing contracts. The fair value of the collateral provided under these agreements at 30 September 2024 was £31,836,000.

## 18. Lease liabilities

£ '000	Half year ended		
	30 September 2024	31 March 2024	30 September 2023
<b>At the beginning of the period</b>	<b>16,915</b>	<b>17,313</b>	<b>11,818</b>
Additions / modifications of new leases during the period	231	2,465	8,495
Interest expense	592	700	266
Lease payments made during the period	(3,302)	(3,407)	(3,090)
Foreign currency translation	(92)	(156)	(176)
<b>At the end of the period</b>	<b>14,344</b>	<b>16,915</b>	<b>17,313</b>

£ '000	30 September 2024	31 March 2024	30 September 2023
<b>Analysis of lease liabilities</b>			
Non-current	10,579	12,000	12,307
Current	3,765	4,915	5,006
<b>Total</b>	<b>14,344</b>	<b>16,915</b>	<b>17,313</b>

## 19. Provisions

£ '000	Restructuring	Property related	Other	Total
<b>At the 31 March 2023</b>	—	<b>2,346</b>	<b>556</b>	<b>2,902</b>
Additional provision	715	—	79	794
Utilisation of provision	—	—	(398)	(398)
Unutilised provision reversed	—	(1,955)	(144)	(2,099)
Translation	—	(11)	(13)	(24)
<b>At the 30 September 2023</b>	<b>715</b>	<b>380</b>	<b>80</b>	<b>1,175</b>
Additional provision	1,471	16	1,567	3,054
Utilisation of provision	—	—	(9)	(9)
Unutilised provision reversed	—	—	(13)	(13)
Translation	—	(10)	(3)	(13)
<b>At the 31 March 2024</b>	<b>2,186</b>	<b>386</b>	<b>1,622</b>	<b>4,194</b>
Additional provision	—	—	26	26
Utilisation of provision	(2,186)	(56)	(13)	(2,255)
Unutilised provision reversed	—	(73)	—	(73)
Translation	—	—	(40)	(40)
<b>At the 30 September 2024</b>	<b>—</b>	<b>257</b>	<b>1,595</b>	<b>1,852</b>

### Restructuring

The restructuring provision relates to redundancies announced during the half-year ended 31 March 2024. Following the completion of these restructuring activities during the period, the provision was fully utilised.

### Property related

Property-related provisions comprise amounts for dilapidations, which are been capitalised as part of the cost of right-of-use asset and are subsequently amortised over the life of the lease.

### Other provisions

Other provisions include amounts set aside in the ordinary course of business, including in respect of legal or regulatory matters. The recognition of these provisions does not imply any admission of wrongdoing or legal liability.

## 20. Cash generated from operations

£ '000	Half year ended		
	30 September 2024	31 March 2024	30 September 2023
Cash flows from operating activities			
Profit / (loss) before taxation	49,569	65,328	(1,995)
<b>Adjustments for:</b>			
Impairment of investments in associate	2,328	—	—
Interest income on own funds	(9,536)	(5,304)	(5,942)
Income on client funds	(13,900)	(13,649)	(10,148)
Finance costs	1,374	1,075	876
Depreciation of property, plant and equipment	4,731	4,922	4,736
Amortisation and impairment of intangible assets	2,334	9,600	8,165
Research and development tax credit	—	(497)	—
Loss on disposal of property, plant and equipment and intangible assets	94	479	—
Share of after-tax results of associate	189	192	91
Share-based payment	1,785	1,117	975
Other non-cash movements including exchange rate movements	1,038	222	(409)
<b>Changes in working capital:</b>			
(Increase) / decrease in trade and other receivables	(16,970)	(71,137)	39,956
Decrease / (increase) in amounts due from brokers	26,207	(44,755)	4,027
Decrease / (Increase) in other assets	5,478	(10,011)	(263)
Increase in trade and other payables	4,820	87,322	3,198
(Decrease) / increase in amounts due to brokers	(6,422)	(4,138)	2,193
Decrease / (increase) in net derivative financial instrument assets	1,401	(10,721)	(1,634)
(Decrease) / increase in provisions	(2,302)	3,017	251
<b>Cash generated from operations</b>	<b>52,218</b>	<b>13,062</b>	<b>44,077</b>

## 21. Liquidity

The Group has access to the following liquidity resources that make up total available liquidity:

- **Group funds.** Group funds on 30 September 2024 were £332,113,000 (31 March 2024: £325,788,000; 30 September 2023: £272,800,000). The derivation of Group funds is shown in the table below.
- **Title Transfer Funds (TTFs).** This represents funds received from professional clients and eligible counterparties (as defined in the FCA Handbook) that are held under a Title Transfer Collateral Agreement (TTCA); a means by which a professional client or eligible counterparty may agree that full ownership of such funds is unconditionally transferred to the Group. The Group considers these funds as an ancillary source of liquidity and places no reliance on its stability.

### Revolving credit facility

The Group has access to a syndicated revolving credit facility of up to £55.0 million (31 March 2024: £55.0 million; 30 September 2023: £55.0 million). No drawdowns were made from the facility during the period (31 March 2024: £nil; 30 September 2023: £nil). This facility can only be used to meet broker margin requirements of the Group. The maximum amount of the facility available at any one time is dependent upon the initial margin requirements at brokers and margin received from clients. The facility consists of a one-year term facility of £27.5 million and a three year term facility of £27.5 million, both of which were renewed in March 2024. Under the terms of the syndicated revolving credit facility agreement, the Group is required to comply with financial covenants covering minimum Tangible net worth and a minimum EBITDA: Interest expense ratio for the Group at a consolidated level. The Group has complied with all covenants throughout the reporting period.

The Group's use of total available liquidity resources consist of:

- **Blocked cash.** Amounts held to meet the requirements of local market regulators and amounts held at overseas subsidiaries in excess of local segregated client requirements to meet potential future client requirements.
- **Initial margin requirement at broker.** The total GBP equivalent initial margin required by prime brokers to cover the Group's hedge derivative positions.

### Net available liquidity

£ '000	30 September 2024	31 March 2024	30 September 2023
Cash and cash equivalents (net of bank overdraft)	174,055	160,300	176,836
Amount due from brokers	202,675	228,882	184,127
Other assets	6,780	12,258	2,247
Financial investments	108,998	50,921	28,322
Derivative financial instruments (excluding Client CFD positions) (current assets)	—	—	159
	<b>492,508</b>	<b>452,361</b>	<b>391,691</b>
Less: Title transfer funds	(110,912)	(119,591)	(107,771)
Less: Amount due to brokers	(560)	(6,982)	(11,120)
Less: Obligations under repurchase agreements	(28,923)	—	—
Less: Payables in respect of financial investments	(20,000)	—	—
<b>Group Funds</b>	<b>332,113</b>	<b>325,788</b>	<b>272,800</b>
Title transfer funds	110,912	119,591	107,771
<b>Total Available liquidity</b>	<b>443,025</b>	<b>445,379</b>	<b>380,571</b>
Less: Blocked cash	(62,912)	(68,411)	(75,699)
Less: Initial margin requirement at broker	(133,483)	(184,734)	(122,658)
<b>Net available liquidity</b>	<b>246,630</b>	<b>192,234</b>	<b>182,214</b>

The following Group Funds Flow Statement summarises the Group's generation of own funds during each period and excludes all cash flows in relation to monies held on behalf of clients.

£ '000	Half year ended		
	30 September 2024	31 March 2024	30 September 2023
<b>Operating activities</b>			
<b>Profit / (loss) before tax</b>	<b>49,569</b>	<b>65,328</b>	<b>(1,995)</b>
<i>Adjustments for:</i>			
Depreciation, amortisation and impairment	7,065	14,522	12,901
Other non-cash adjustments	5,284	2,577	(532)
Tax paid	(12,463)	(6,601)	(2,001)
<b>Group funds generated from operating activities</b>	<b>49,455</b>	<b>75,826</b>	<b>8,373</b>
<b>Movement in working capital</b>	<b>(4,372)</b>	<b>(3,560)</b>	<b>(17,476)</b>
<b>Outflow from investing activities</b>			
Net purchase of property, plant and equipment and intangible assets	(4,319)	(10,111)	(9,765)
Other outflow from investing activities	—	—	(2,800)
<b>Outflow from financing activities</b>			
Dividends paid	(20,176)	(2,793)	(10,895)
Other outflow from financing activities	(11,756)	(4,343)	(2,976)
<b>Total outflow from investing and financing activities</b>	<b>(36,251)</b>	<b>(17,247)</b>	<b>(26,436)</b>
<b>Increase / (decrease) in Group funds</b>	<b>8,832</b>	<b>55,019</b>	<b>(35,539)</b>
Group funds at the beginning of the period	325,788	272,800	309,732
Effect of foreign exchange rate changes	(2,507)	(2,031)	(1,393)
<b>Group funds at the end of the period</b>	<b>332,113</b>	<b>325,788</b>	<b>272,800</b>

## 22. Fair value measurement disclosures

IFRS 13 “Fair Value Measurement” requires the Group to classify its financial assets and liabilities according to a hierarchy that reflects the observability of significant market inputs. The three levels of the fair value hierarchy are defined below:

- ☐ Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- ☐ Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); or
- ☐ Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

£ '000	30 September 2024			
	Level 1	Level 2	Level 3	Total
Financial investments	16,978	92,018	2	108,998
Derivative financial instruments (current assets)	—	28,781	—	28,781
Derivative financial instruments (current liabilities)	—	(5,629)	—	(5,629)
	<b>16,978</b>	<b>115,170</b>	<b>2</b>	<b>132,150</b>

£ '000	31 March 2024			
	Level 1	Level 2	Level 3	Total
Financial investments	50,889	—	32	50,921
Derivative financial instruments (current assets)	—	31,627	—	31,627
Derivative financial instruments (current liabilities)	—	(7,074)	—	(7,074)
	<b>50,889</b>	<b>24,553</b>	<b>32</b>	<b>75,474</b>

£ '000	30 September 2023			
	Level 1	Level 2	Level 3	Total
Financial investments	28,289	—	33	28,322
Derivative financial instruments (current assets)	—	16,216	—	16,216
Derivative financial instruments (current liabilities)	—	(2,384)	—	(2,384)
	<b>28,289</b>	<b>13,832</b>	<b>33</b>	<b>42,154</b>

### Valuation techniques used to determine fair values of financial instruments

Specific valuation techniques used to value financial instruments include:

- ☐ the use of quoted market prices or dealer quotes for similar instruments;
- ☐ for foreign currency forwards – forward exchange rates at the balance sheet date.

### Fair value of financial assets and liabilities measured at amortised cost

The fair value of the following financial assets and liabilities not held at fair value approximates to their carrying value:

- ☐ Cash and cash equivalents
- ☐ Amounts due from/to brokers
- ☐ Trade and other receivables (financial assets only)
- ☐ Trade and other payables (financial liabilities only)
- ☐ Obligations under repurchase agreements



## **23. Related party transactions**

The Group considers its key management personnel and persons connected with them to be related parties. The Directors and members of the Executive Committee are considered to be key management personnel for disclosure purposes.

The basis of remuneration of key management personnel remains consistent with that disclosed in the statutory financial statements for the Group as at and for the year ended 31 March 2024.

In the half year ended 30 September 2024, the Group provided one member of key management personnel a short-term loan of £400,000. The loan has been provided on commercial terms.

There were no other transactions with key management personnel during the half years ended 31 March 2024 and 30 September 2023.

## **24. Contingent liabilities**

The Group's geographical reach exposes it to a high degree of uncertainty regarding the interpretation of local regulatory, tax and legal matters in each territory in which it has operations. In addition, the Group is party to various contractual relationships that could result in non-performance claims and other contractual breaches and from time to time is involved in disputes as part of the ordinary course of business.

In certain instances, legal disputes can pose a have a significant financial exposure, however the Group's manages these risks proactively to resolve disputes and claims are usually resolved without any material loss. The Group makes provision for claims where costs are likely to be incurred.

Where there are uncertainties regarding regulatory, tax and legal matters and a provision has not been made, there are no contingent liabilities where the Group considers any material adverse financial impact to be probable

### **Notice of class action lawsuit**

The Group received notice of a class action lawsuit being brought against one of its operating entities on 31 May 2022. Since then, the matter has progressed through the court pleadings stage and has recently completed discovery pursuant to current court orders. At this stage, an assessment to determine the probability and size of financial outflow still cannot be determined.

### **Open tax enquiries**

The Group has open tax enquiries in relation to its European operations arising from historical product launches and more routine enquires in its Canadian entity. The potential outcome of these enquiries is ongoing and there is no certainty whether there may be a financial cost to the Group.

### **Brexit approach**

There is regulatory uncertainty regarding the Group's historical approach to the use of reverse solicitation provisions allowing EEA clients to trade with UK subsidiaries after 31 December 2020. The risk to the approach has now been mitigated given the majority of EEA clients' activities with the UK subsidiary ceased prior to 31 March 2021 and to date no further action has been taken by any EEA regulator. Whilst it is possible that regulatory censure may result from these matters, they are in their early stages and such an outcome is not currently considered probable.

## **25. Subsequent events**

### **ASB Bank partnership**

On 1 November 2024 the Group announced it had entered a strategic partnership with ASB Bank in New Zealand to provide ASB clients with access to the Group's trading technology through an ASB-branded platform. As part of the agreement, the Group will become a full participant in the NZX, the New Zealand Stock Exchange.

Integration is expected to take between 12 and 18 months, with the associated costs expected to be largely capitalised and revenue upside proving meaningful in the context of the Group's Invest business. On an ongoing basis, the cost impact is expected to be incremental as the Group leverages existing scale to service the business.

# **INDEPENDENT REVIEW REPORT TO CMC MARKETS PLC**

## **Conclusion**

We have been engaged by the CMC Markets plc (the “Group”) to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2024 which comprises the Condensed Consolidated Income Statement, the Condensed Consolidated Statement of Other Comprehensive Income, the Condensed Consolidated Statement of Financial Position, the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Statement of Cash Flows and related notes 1 to 25.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2024 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

## **Basis for Conclusion**

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, “Interim Financial Reporting”.

## **Conclusion Relating to Going Concern**

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

## **Responsibilities of the directors**

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Auditor’s Responsibilities for the review of the financial information**

In reviewing the half-yearly financial report, we are responsible for expressing to the Group a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

## **Use of our report**

This report is made solely to the Group in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group, for our review work, for this report, or for the conclusions we have formed.

## **Deloitte LLP**

Statutory Auditor  
London, United Kingdom  
21 November 2024

## ALTERNATIVE PERFORMANCE MEASURES

### Reconciliation of trading net revenue

£ 'million	Note	Half year ended		
		30 September 2024	31 March 2024	30 September 2023
Trading gross revenue	3	135.4	179.6	94.7
Client rebates introducing partner commissions and levies	2	(4.1)	(7.9)	(7.3)
<b>Trading net revenue</b>		<b>131.3</b>	<b>171.7</b>	<b>87.4</b>

### Reconciliation of investing net revenue

£ 'million	Note	Half year ended		
		30 September 2024	31 March 2024	30 September 2023
Investing gross revenue	3	26.6	23.0	22.7
Introducing partner commissions	2	(6.7)	(5.8)	(5.9)
<b>Investing net revenue</b>		<b>19.9</b>	<b>17.2</b>	<b>16.8</b>

### Reconciliation of interest income

£ 'million		Half year ended		
		30 September 2024	31 March 2024	30 September 2023
Interest income on own funds		9.5	5.3	5.9
Income on client funds		13.9	13.6	10.2
<b>Interest income</b>		<b>23.4</b>	<b>18.9</b>	<b>16.1</b>

### Reconciliation of trading net revenue, investing net revenue to net operating income

£ 'million	Note	Half year ended		
		30 September 2024	31 March 2024	30 September 2023
Trading net revenue		131.3	171.7	87.4
Investing net revenue		19.9	17.2	16.8
Other revenue	3	2.8	2.4	2.3
Interest income		23.4	19.0	16.1
<b>Net operating income</b>		<b>177.4</b>	<b>210.2</b>	<b>122.6</b>

## Reconciliation of operating expenses

£ 'million	Note	Half year ended		
		30 September 2024	31 March 2024	30 September 2023
Operating expenses	4	123.7	136.6	118.3
Impairment of intangible assets	8	0.2	7.0	5.3
Adjusted operating expenses (including variable remuneration)		123.9	143.6	123.6
Variable remuneration		(12.5)	(16.0)	(1.7)
Operating expenses excluding variable remuneration		111.4	127.6	121.9